

City Commission Workshop
August 21, 2018
5:30 pm

Mayor Mortimer called the workshop to order at 5:30 pm.

Members present included Mayor Mortimer, Commissioner Chastain, Commissioner Nugent, Commissioner Waters and Commissioner Woods. Also present were Finance Director John-Paul Ledford, City Manager Bob Milner and City Attorney Dan Sikes.

Mayor Mortimer turned the workshop over to Mr. Milner. Mr. Milner referenced the tentative budget summary. The budgeted reserve carry-forward for the enterprise fund is at \$356,622. That is reduced by \$13,600. Mr. Milner said total revenue transfers in has increased by \$26,000 to \$621,204. Total transfers out increased by \$26,000 to \$621,204. Mr. Milner said total expenditures is at \$12,763,272 which is decrease by \$13,000. Mr. Milner referenced the handout regarding changes to the budget. Mr. Milner said \$4,000 has been added to both Communities in Schools and the Concerned Citizens of Bradford County. Mr. Milner said \$18,000 was added to the code enforcement budget for a magistrate. Payroll taxes decreased from \$44,000 to \$4,400 due to an extra 0 being added. These changes increased the transfer to the general fund from the utility fund by \$26,000. Mr. Milner said the net effect is that the cash carry forward needed to balance the utility fund decreased by \$13,600.

Commissioner Chastain suggested advising Communities in Schools and the Concerned Citizens of Bradford County that the city will not be donating \$5,000 after this year. He believes the additional \$4,000 should not even be considered. Commissioner Waters said he knows that Communities in Schools and the Concerned Citizens of Bradford County need the \$5,000 donations to help kids. He would like the additional \$4,000 donated if possible. Commissioner Woods is concerned about cash flow and the budget. He believes we need to help the kids but suggested donating an additional \$2,000 instead of the \$4,000 to Communities in Schools for scholarships only and an additional \$2,000 for the Concerned Citizens of Bradford County. Mayor Mortimer said the \$4,000 Communities in Schools asked for was to be used for transportation. Commissioner Woods said he would be ok with the \$2,000 going to transportation as long as the \$5,000 goes to scholarships. Commissioner Chastain believes there is a resolution that dictates that the \$5,000 donation to Communities in Schools goes to scholarships. Commissioner Nugent would like for \$9,000 to go to both Communities in Schools and the Concerned Citizens of Bradford County. Mayor Mortimer is in favor of giving \$5,000 to each organization and the additional \$4,000 because of the benefits the organizations provide to the community.

Commissioner Chastain asked if the commissioners agree on the millage rate of 4.8648. Commissioner Chastain said he is not ok with the millage rate. Mr. Milner said his tax would increase by \$40. Commissioner Chastain said his went up \$90. Mr. Milner said Commissioner Chastain's tax is higher because he is not homesteaded. Commissioner Waters is satisfied with the millage at 4.8648. Mr. Ledford said there would be an additional transfer from the utility

fund of \$160,000 if they did not increase the millage rate to 4.8648. Commissioner Chastain said the county stayed at their current millage rate. Mayor Mortimer said the county millage rate is at 9 percent. Commissioner Nugent does not have an issue with leaving the millage rate at 4.8648. Mayor Mortimer is comfortable with the millage rate at 4.8648.

Commissioner Chastain asked to talk about the water rates. Mr. Milner has a comparison from the last meeting of water rates for Starke, Green Cove Springs, High Springs, Trenton, Alachua, Newberry, Live Oak and Chiefland. Mr. Ledford said the average water consumption for a residence is 4,400 gallons per month. The average water consumption for a business is 12,000 gallons per month. Mr. Ledford said a residential customer using 4,400 is paying \$3.56 for water. If the base charge covers 2,500 gallons the customer would be paying \$4.97 or an increase of \$1.41. Commercial customers using 12,000 gallons pay \$13.10. Mr. Ledford said historically we have increased the base rate and the variable rate 5 percent per year. A 5 percent increase would cost the average residential customer an additional 97 cents and a commercial customer \$1.51. Mr. Ledford said our variable rate is less than half of what the other cities are charging. He suggested looking at restructuring the water charges to increase the city's revenue with a minimum impact to the customer's bill. Commissioner Chastain said we need to increase the water charges to bring them closer to the sewer charges.

There being no further business, the meeting was adjourned at 6:05 pm.